

**Belvedere:** March 24, 2005  
*Jerry Butler*

**Corte Madera:**  
*Melissa Gill* **TO:** Transportation Authority of Marin Commissioners

**Fairfax:** **RE:** Proposed Revision to TAM FY 2004-05 Budget – Agenda Item 8  
*Lew Tremaine*

**Larkspur:**  
*Joan Lundstrom*

**Mill Valley:**  
*Dick Swanson*

**Novato:**  
*Pat Eklund*

**Ross:**  
*Tom Byrnes*

**San Anselmo:**  
*Peter Breen*

**San Rafael:** The proposed changes to the FY 2004-05 budget are shown in Attachment A  
*Al Boro* and are summarized on the next page of this staff report:

**Sausalito:**  
*Amy Belser*

**Tiburon:**  
*Alice Fredericks*

**County of Marin:**  
*Susan Adams*  
*Hal Brown*  
*Steve Kinsey*  
*Charles McGlashan*  
*Cynthia Murray*

Dear Commissioners:

In June 2004, the TAM Board adopted the FY 2004-05 budget reflecting projected revenues and planned expenditures for the year. In the ensuing months, new revenues have become available, and additional expenditures have been authorized. Staff proposes to amend the FY 2004-05 budget by incorporating those changes. Additionally, in preparation for the receipt of Measure A funds and to recognize the evolution of TAM's role as both a Congestion Management Agency (CMA) and sales tax authority, two new funds will be established within the County's accounting system, and all assets and liabilities in the current fund will be transferred to a new fund. This report addresses the budget revision and the transfer of assets and liabilities to a newly created fund for TAM.

**Budget Revision Highlights**

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<b>REVENUES</b>		
<b>Source</b>	<b>Description of Budget Change</b>	<b>FY 2004-05 Proposed Change</b>
Regional Measure 2 (RM-2)	TAM will be reimbursed for expenditures on the Sir Francis Drake and Greenbrae Interchange Corridor projects based on recent MTC allocations of RM-2.	\$38,500
Community Based Transportation	TAM has been designated as receiving grant funds for two Community Based Transportation plans in the County.	\$12,600
Measure A	Sales tax collection will begin on April 1, 2005. TAM expects to receive its first payment from the State Board of Equalization in June. The estimated Measure A revenue available in FY 2004-05 is equal to one month's sales tax collection.	\$1,638,207
Line of Credit/Loan	Some form of loan, bridge financing, or interagency borrowing will be required to meet TAM's commitment to MCTD for local transit services.	\$3,462,000

<b>EXPENDITURES</b>		
<b>Item</b>	<b>Description of Budget Change</b>	<b>FY 2004-05 Proposed Change</b>
Salaries and Benefits	One Senior Civil Engineer position authorized earlier this fiscal year has been hired and will begin on March 28, 2005. The position is funded from RM-2 funds. A temporary secretary position is also proposed to be added to the county staff in mid-April and will be funded from Measure A revenues.	\$46,300
Line of Credit	Interest expense for a line of credit or interagency borrowing may be needed to address TAM's commitment for funding its agreement with Marin County Transit District (MCTD) for FY 2004-05.	\$2,000
Professional Services Contracts	Contracts for an executive director recruiter, initiation of Measure A start up including organization review, human resources/benefits analysis, and program management oversight are included as a result of the passage of the sales tax measure.	\$374,300
Community Based Transportation	A professional services contract will be executed to begin developing two Community Based Transportation Plans this year.	\$12,600
Election Cost	Actual election costs were less than budgeted.	(\$195,000)
Transit Program	With the passage of Measure A, TAM entered into an agreement with MCTD to provide funding for continuation of local transit service in advance of sales tax receipts. Staff is examining the most cost effective means for advancing those funds.	\$3,462,000

**Balanced Budget**

The proposed budget revision indicates that the budget is balanced, based on the assumption that a loan will be secured to meet the commitment to fund local transit service in advance of receiving sales tax revenue this year. Staff is examining the most cost effective means for meeting the FY 2004-05 obligation to MCTD, including interagency borrowing and a line of credit with commercial banks. Any loan agreement or line of credit will require TAM Board approval prior to borrowing. An analysis of the costs and benefits of the options examined and a recommended course of action will be presented to the Board no later than May 2005.

**Establishment of New Accounts for TAM**

The Marin County CMA has maintained a fund within the County's accounting system for several years. That fund has been used by TAM since its creation in March 2003 for all financial transactions. With the passage of Measure A, accounting staff is recommending that the assets, liabilities, and fund balance in the existing CMA fund be transferred to a new TAM fund, and that a new Measure A Transportation Sales Tax fund be established. These two new funds would be used for all financial transactions required of TAM in carrying out its responsibilities as CMA and as the sales tax authority.

**Recommendation**

Staff recommends:

1. Adoption of the revised FY 2004-05 budget as shown in Attachment A to this staff report.
2. Authorization of the establishment of two new funds within the County accounting system to capture the financial transactions of TAM.
3. Authorization to transfer all assets, liabilities, and fund balance from the existing CMA fund to a newly created TAM fund.

Respectfully Submitted,

Craig Tackabery  
Executive Director

Attachment A: Proposed Revised TAM FY 2004-05 Budget

# Transportation Authority of Marin

## Proposed Revised FY 2004-05 Budget

	Adopted FY 04-05	Revised FY 04-05	Change
<b>REVENUE</b>			
<b>Prior Year Carry Forward</b>	\$397,927	\$397,927	\$0
Cities and Counties	\$350,000	\$350,000	\$0
Interest Earned	2,000	2,000	0
STP/CMAQ (MTC)	240,000	240,000	0
T-PLUS (MTC)	150,000	150,000	0
BAAQMD	18,738	18,738	0
RM-2	0	38,500	38,500
Community Based Transportation	0	12,600	12,600
Measure A (net of BOE fees)	0	1,638,207	1,638,207
Line of Credit/Loan	0	3,462,000	3,462,000
<b>Total Revenue Available</b>	<b>\$1,158,665</b>	<b>\$6,309,972</b>	<b>\$5,151,307</b>
<b>EXPENDITURES</b>			
<b>Administration</b>			
Salaries & Benefits	\$485,000	\$531,300	\$46,300
Office Supplies	30,000	30,000	0
Audit	6,000	6,000	0
Legal	10,000	10,000	0
Document Reproduction	20,000	20,000	0
Line of Credit	0	2,000	2,000
<b>Subtotal, Administration</b>	<b>\$551,000</b>	<b>\$599,300</b>	<b>\$48,300</b>
<b>Professional Services</b>			
CMP	\$15,000	\$15,000	\$0
T-PLUS	70,000	70,000	0
Consulting Pool/Recruiter	20,000	29,000	9,000
Sales Tax Initiation/PMO	0	25,000	25,000
Organization Review	0	16,000	16,000
HR/Benefits Analysis	0	10,000	10,000
Community Based Transportation	0	12,600	12,600
Program Management Oversight	0	314,300	314,300
Election Cost	350,000	155,000	-195,000
<b>Subtotal, Professional Services</b>	<b>\$455,000</b>	<b>\$646,900</b>	<b>\$191,900</b>
<b>Measure A Programs</b>			
Strategy 1 - Transit	\$0	\$3,462,000	\$3,462,000
<b>Subtotal, Measure A Programs</b>	<b>\$0</b>	<b>\$3,462,000</b>	<b>\$3,462,000</b>
<b>Total Expenditures</b>	<b>\$1,006,000</b>	<b>\$4,708,200</b>	<b>\$3,702,200</b>
<b>Surplus/Deficit</b>	<b>\$152,665</b>	<b>\$1,601,773</b>	<b>\$1,449,108</b>